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UNCLAS SECTION 01 OF 02 KATHMANDU 001542

SIPDIS

LONDON FOR POL/ GURNEY  
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E.O. 12958: N/A

TAGS: [PGOV](#) [SOCI](#) [NP](#)

SUBJECT: NEPALI STUDENT LEADERS WARN OF MORE "AGITATION  
PROGRAMING" IF GOVERNMENT DOES NOT AGREE TO FINAL DEMAND.

REFERENCE: (A) KATHMANDU 00652  
(B) KATHMANDU 01220

SUMMARY

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[11.](#) In meetings with the Nepali Student Union and the Nepal National Student's Union-the two largest of Nepal's seven united student unions-backed by the Nepali Congress (NC) party and the Communist Party of Nepal-United Marxist Leninist (CPN-UML) respectively, student leaders said they intended to close down public schools if their demand of free education up to grade 10 is not met. Originally, in April, school lockouts were intended to protest allegedly excessive tuition rates charged by private schools. The lockouts were lead by the Maoist student organization, the All Nepal National Independent Student Union-Revolutionary (ANNISU-R), in conjunction with the other party-affiliated student unions. Since then, ANNISU-R has split from the seven party-affiliated unions, which have brokered a settlement with private schools and the Government of Nepal (GON). The student unions have not reiterated this demand for free education publicly and for over a month have been holding strategy meetings among themselves to decide on the best course of action. There are currently no meetings scheduled between student leaders and government officials. End Summary.

DESPITE GOVERNMENT CONCESSIONS, STUDENT UNIONS STILL  
THREATEN TO SHUT DOWN SCHOOLS

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[12.](#) Both the Private and Boarding School Association of Nepal (PABSON) and the GON met with the student unions and agreed to most of their demands in early July of 2003 as a result of forced school closures at the end of June. PABSON agreed to a price ceiling on tuition, more scholarships for poor students, and greater teacher accountability. The government agreed to increase teacher quality and accountability in public schools as well as student-demanded curriculum changes at the National University. Despite these agreements, student leaders insisted they would demand free education up to grade 10 from the government and were willing to close public schools to accomplish their goal.

FREE EDUCATION REMAINS FISCALLY UNATTAINABLE

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[13.](#) The Ministry of Education budget for FY 03 is about 16 percent of the total GON budget. Post estimates that to meet the student union demand of free education up to grade 10 the GON would have to allocate 42 percent of the over-all national budget to the Ministry of Education.

[14.](#) Student unions claim the GON has increased security spending dramatically while neglecting education. In actuality, from FY02 to FY03 the security budget increased only 1.3 percent, and the education budget decreased 0.6 percent. Additionally, at the GON's budget presentation on July 17, 2003 the Ministry of Finance promised a 10 percent decrease in the security budget of FY04. This 10 percent decrease would be held in an emergency fund in case the ceasefire breaks. In any case, even if the reduction in security spending were realized, there would still not be sufficient funds in the budget to provide education to all students up to grade 10.

[15.](#) On, July 17, the Director General of the Department of Education stated publicly that the Ministry would not have enough funding to provide free education to grade 10. He said the government was working on a compromise acceptable to the student unions, having met all their other demands.

STUDENT LEADERS DISTANCE THEMSELVES FROM VIOLENCE AND  
MAOISTS

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[16.](#) In meetings with Embassy intern, student unions distanced themselves from the Maoist student group, the ANNISU-R, and stated that they currently have no affiliation with it. (Note. In April 2003, during student-led protests

over petroleum price increases, the ANNISU-R joined the seven student unions in their agitations. The strikes resulted in the burning and looting of a National University building and the shooting by police of one student leader (Ref A) End Note). Both student groups denied being involved in the burning or looting of any buildings. While the student unions disavowed past violent acts, the acting president of the Nepali Student Union said, "The Nepali government does not listen; it listens only when people take to the street. Sometimes you have to burn tires to get their attention."

#### STUDENT UNIONS' AFFILIATION WITH POLITICAL PARTIES

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17. While student unions claim to operate independently of political parties, the UML affiliated student union admitted that all decisions were cleared through UML party leaders. The NC affiliated student union admitted that in addition to clearing action programs and protests through NC party leaders, they periodically received funding from the NC for rent and other union related expenses. There is little effort to conceal this direct partisan association.

#### COMMENT

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18. The student unions' demands regarding educational funding continues to represent an attempt to demonstrate political muscle rather than a true concern for the welfare of poor students (Ref B). The student unions' scheduled school lockout in June was moved up a week in order to coincide with the 5-party protest against government "regression" and the appointment by the King of Surya Bahadur Thapa as Prime Minister.

19. While free education until grade 10 is currently an unrealistic option, there are other important educational issues that should be addressed at the national level. Only 15.8 percent of current Nepali teachers have adequate teaching credentials. According to the 2001 national census only 81 percent of school age children are enrolled in school and only 60 percent finish grade 5, (the equivalent of US primary education). Because the political parties remain outside the government, the parties and their student unions are able to act with a degree of impunity, making it possible for them to militate for irresponsible and unattainable demands on the government.

MALINOWSKI